



STATE OF ARKANSAS
**Department of Finance
and Administration**

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PROCEDURES FOR PROCESSING CLIP BONUSES

Please confirm the availability of funds prior to issuing the bonuses.

The process used to issue a CLIP bonus is as follows:

- 1.) Choose "Maintain Master Data" (PA30) from the SAP Easy Access Menu.
- 2.) Enter the employee's personnel number and infotype fifteen (15).
- 3.) Select the 'Create' icon which takes you to the Create Additional Payments screen.
- 4.) Enter the wagetype 1158 (Clip Bonus – Manual Calc).
- 5.) Enter the amount. This must be manually calculated prior to being entered.
- 6.) Enter a date in "Date of Origin". This **MUST** be a date included in the payroll period that you want the payment to occur.
- 7.) Save your entry.

Wagetype 1158 includes a standard tax characteristic and because it will be paid on a regular payroll cycle the system will add the bonus payment to the employee's other earnings for the payroll cycle. It will then calculate the taxes as if the employee were earning the total amount for each payroll of the calendar year. This **MAY** place **SOME** employees into a higher tax bracket for that **ONE** payroll cycle. Employees should be made aware of this fact.

Should you have any questions, please feel free to contact your payroll representative at 682-1821.